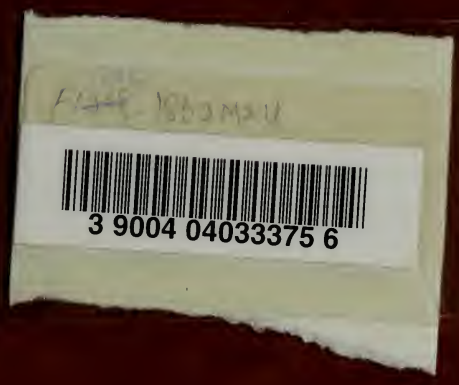
3 9004 04033375 6

F 50.2
1860
M2 U

F1023
1860 M-U

MESSAGE.

EDMUND HEAD.

THE GOVERNOR GENERAL transmits, for the information of both Houses of the Legislature, the following Correspondence on the subject of the arrangements made for the transport of United States Mails between Europe and America by the Canadian line of Steamships.

GOVERNMENT HOUSE,
Quebec, 5th March, 1860.

WASHINGTON, D. C.,

31st October, 1859.

SIR,

I have the honor to inform you that I am now prepared to make a proposition in corformity with the terms mentioned to you in our interview of 17th instant.

The Proprietor of the Canadian Ocean Steamers is under contract with the Canadian Government, "To carry, by each trip of the said Steamers, such "Mails as may be given to him or to the Officers in charge of his Vessels, "by the Postmaster General of this Province for transmission to Liverpool, "or by the Post Office authorities in Liverpool for carriage to this Province, "or such other Mails as may be required to be carried at the instance or "by command of the Postmaster General of this Province," and "to make "weekly trips from Liverpool to Portland, and weekly trips from Portland "to Liverpool," and "that the weekly communication between Liverpool "and Portland shall commence each year at the time of the close of the "navigation of the River St. Lawrence, and continue till the opening "thereof;" and I now enclose a letter from Mr. Allen in accordance with these provisions of his Contract.

The days of sailing of these Steamers are Saturdays from Portland and Quebec, and Wednesdays from Liverpool.

130362

It is intended during next Summer to receive and deliver the Mails at Rivière-du-Loup, the most easterly point at present reached by the Grand Trunk Railway, to be conveyed to and from Quebec by special trains, the distance being about 130 miles.

No. 1. I enclose a Schedule shewing the length of time occupied in the passages of these Steamers during the present season, and giving an average passage :

Westward of.....11 days 5 hours.
Eastward of.....10 days 3 hours.

No. 2. I also enclose an advertisement of the Grand Trunk Railway Company of Canada, shewing that their line of Railway will be opened to Detroit, by the 7th proximo, and I may inform you that since my last visit, the Railway has been opened to Rivière-du-Loup.

I also enclosed Time Table propose to be adopted by the Grand Trunk and Michigan Railway Companies, which will afford you the necessary information as to the time which will be occupied in the journey between Chicago and Portland about 48 hours, being 1169 miles. I may here add that I am informed that the Railway Companies West, North and South of Chicago will run their Trains in correspondence with the lines affected by the Table enclosed.

The Railway Map herewith will shew the line of Railway and the extent of country likely to be served by the arrangement herein proposed.

The Victoria Bridge is so far advanced towards completion, that arrangements have been made for the passage of a Train with the Mails for the first Steamer ("Hungarian,") which is to sail from Portland, on 26th November next.

The Steamers will touch at Cork this winter, the consent of the Canadian Government having been accorded for that purpose.

I have now to propose to carry United States Mails from Detroit to Liverpool, and from Liverpool to Detroit, for the existing sea rate of postage only. The Province of Canada foregoing any internal or domestic rate, in consideration of the United States Government allowing the Canadian Mails to pass free of postage between the frontier and Portland, a proceeding by which the United States will profit largely, as their Mails will unquestionably be of much greater size and amount than the Canadian Mails.

All such Mails as you desire will be landed and shipped at Cork. In order effectually to carry out these arrangements, it is necessary to apply to have Cork made an Office for Exchange of Mails, and that not only Detroit but Chicago also should be made Offices for Exchange of Mails, for although it is only proposed to carry the Mails to and from Detroit, yet if Detroit be alone an Exchange Office, letters posted west of that

place, will be detained there from the arrival of one train till the departure of another, the connection will be broken, and most valuable time lost. A similar result will attach to the Mails coming from Europe.

I need hardly press upon your attention the great advantages now offered to your Department over those offered by any other line of Steamers for the establishment of a weekly communication between the United States and Europe.

I can point, with satisfaction, to the result of the operations of the Canadian Steamers during the present and also during the previous season, as proving that, under all circumstances, the line may be relied on for regularity, speed and safety.

As the season has so far advanced and the necessity for action is so urgent, I trust I may be excused for asking an early answer to this proposition.

I am, &c.,

(Signed,) SIDNEY SMITH,
P. M. G.

To Postmaster General,
Washington.

MONTREAL, 24th October, 1859.

SIR,

I beg leave respectfully to request that you will account to the Post Office Department of Canada, for the amount of postage due for carrying the United States Mails to and from Liverpool and Portland, by the steamships of the Canadian Line, previous to this date.

I beg also to state that it is with my concurrence that the Postmaster General of Canada makes arrangement for the transport by the same steamships of the United States Mails in future.

I am, Sir,
Your obedient Servant,

(Signed,) HUGH ALLAN,
Contractor far the Canadian Ocean
Mail Service.

The Postmaster General of the United States,
Washington, D. C.

Outline of arrangement of trains on Grand Trunk Railway of Canada, for Winter of 1859–60, after completion of the Victoria Bridge, in November, 1859.

GOING WEST.

Leave	Portland	9 A. M.	
do	Quebec	1 P. M.	
do	Richmond Junction	5 P. M.	
do	Montreal	9 P. M.	
do	Toronto	11 A. M.	
do	Detroit	8 P. M.	
Arrive	Chicago	10 A. M.	Second day.

GOING EAST.

Leave	Chicago	5 P. M.	
do	Detroit	7 A. M.	
do	Toronto	5 P. M.	
do	Montreal	8 A. M.	
do	Richmond Junction	11 A. M.	
Arrive	Quebec	3.30 P. M.	
do	Portland	8 P. M.	

Between Quebec and Chicago as above, 45 hours.
Ditto Portland and ditto as above, 49 hours.

ABSTRACT of the passages of the Steamers of the Montreal Ocean Steamship Company during 1859.

VESSEL.	CAPTAIN.	Left Liverpool.	Arrived at Quebec.	PASSAGE. Days.	PASSAGE. Hours.	Left Quebec.	Arrived at Liverpool.	PASSAGE. Days.	PASSAGE. Hours.
North Briton	William Grange	April, 20	May, 2	11	15	May, 14	May, 25	11	2
Anglo Saxon	Willm. Ballantyne	" 27	" 9	11	16	" 21	June, 1	10	11
Nova Scotian	R. Borland	May, 4	" 16	12	11	" 28	" 8	11	
North American	Thos. Arton	" 11	" 22	11	7	June, 4	" 14	10	3
Hungarian	Thos. Jones	" 18	" 30	12	2	" 11	" 20	9	6
Indian	Wm. Smith	" 25	June, 6	12	8	" 18	" 29	10	6
North Briton	Wm. Grange	June, 1	" 11	10	8	" 25	July, 5	10	6
Anglo Saxon	Wm. Ballantyne	" 8	" 18	10	5	July, 2	" 11	9	5
Nova Scotian	R. Borland	" 15	" 27	12	7	" 9	" 19	10	3
North American	Thos. Arton	" 22	July, 3	11	6	" 16	" 27	10	14
Hungarian	Thos. Jones	" 29	" 8	9	14	" 23	August, 1	9	6
Indian	Wm. Smith	July, 6	" 18	11	17	" 30	" 10	11	4
North Briton	Wm. Grange	" 13	" 24	10	23	August, 6	" 16	10	1
Anglo Saxon	Wm. Ballantyne	" 20	" 30	10	6	" 13	" 23	9	6
Nova Scotian	R. Borland	" 27	August, 7	11	7	" 20	" 30	9	21
North American	Thos. Arton	August, 3	" 13	10	6	" 27	Sept., 6	10	2
Hungarian	Thos. Jones	" 10	" 20	10	9	Sept., 3	" 13	9	18
Indian	Wm. Smith	" 17	" 29	11	15	" 10	" 20	9	16
North Briton	Wm. Grange	" 24	" 5	11	21	" 17	" 29	11	8
Anglo Saxon	Wm. Ballantyne	Sept., 1	" 12	11	5	" 24	" 4	10	3
				244	16			202	21

Average passage Outwards, 11 Days 5 hours.

Average Homewards, 10 Days 3 hours.

Post Office Department,
Washington, 1*st November*, 1859.

Sir,

I am directed by the Postmaster General to inform you that he assents to the proposition made in your letter of the 31st ultimo "to carry "United States mails from Detroit to Liverpool and from Liverpool to "Detroit for the existing sea rate of postage only. The Province of "Canada foregoing any internal or demestic rate in consideration of the "United States Government allowing the Canadian mails to pass free of "postage between the frontier and Portland," upon the following conditions, viz :

1st. That the arrangement is not to go into effect until Detroit and Chicago are constituted offices of exchange for United States and British mails.

2nd. That the United States transit charge between Portland and Canada line is to be relinquished on such mails only as shall be conveyed to and from Portland by the Canadian Mail Packets. And

3rd. That in the event of a reduction of the postage between the United States and Great Britain, the reduced rate of sea postage, whatever that may be, is to be charged by the Postmaster General of Canada.

I have further to advise you that the necessary measures will be taken at once for obtaining the consent of the British Post Office to constitute Detroit and Chicago United States offices of exchange for British mails to be transported under this arrangement by the way of Canada.

I am, very respecfully
Your obedient Servant,
(Signed.) HORATIO KING.

To the Post Master General of Canada.

Washington, D. C., 2nd November, 1859.

Sir,

I have the honor to acknowledge receipt of a letter from Horatio King, Esq., of 1st instant, and to thank you for your early attention to the matter referred to in my letter of 31st ultimo.

In the proposition submitted in my letter it was intended to embrace an offer to transport all United States Mails, between Liverpool and Portland, and *vice versâ*, at the existing sea rate of Postage. The limitation about the provincial internal rate applying only to the arrangement for transport of Mails, between Detroit and Liverpool, and *vice versâ*.

I now beg to renew the offer to transport all United States Mails, between Liverpool and Portland, and Portland and Liverpool, at the existing sea rate of Postage being in effect a renewal of the service performed for you by Canadian Steamers during last winter, except that it will be a weekly instead of a monthly service.

Your assent to this part of the proposition need not it appears to me be in any way subject to the first condition, mentioned in Mr. King's letter.

As to the second condition mentioned in Mr. King's letter I may say that I accede to it.

As to the third condition it appears to me that we must deal with the rate as it exists, until the reduction of postage is agreed upon from which time, of course, the rate then fixed will be the rate to be covered by our arrangement.

I have the honor to be
&c., &c., &c.

(Signed,) SIDNEY SMITH,
P. M. G. of Canada.

Hon. Jos. Holt,
Postmaster General, Washington.

P. S. It is understood of course that your Mails will be conveyed in summer, between Rivière-du-Loup and Portland, and Portland and Rivière-du-Loup, upon the same terms as have been mentioned as regards the Detroit and Chicago Mails.

(Signed,) S. S.

Post Office Department,

Washington, 2nd November, 1859.

Sir,

I have the honor, by direction of the Postmaster General, to acknowledge the receipt of your letter of this date, in further explanation of the proposition made in your letter of 31st ultimo, and to inform you in reply, that your explanations relative to the arrangement in question, as therein stated, are satisfactory to this Department.

I am very respectfully,
Your obedient servant,

(Signed,) HORATIO KING.

Hon. Sidney Smith,
P. M. Genl. of Canada,
Present.

Morley's Hotel, London,

22nd November, 1859.

My Lord,

In the interview with which Your Lordship was yesterday so good as to favor me, I had the honor of stating that Canada had entered into an

arrangement with the United States Post Office, for the transmission of weekly Mails between the United States and the United Kingdom, throughout the year by the line of Ocean Mail Steamers, under contract with the Canadian Government, and in order that Your Lordship may have the fullest knowledge of the terms and scope of the agreement thus concluded, I beg leave to place before Your Lordship the enclosed copies of the Correspondence which took place upon the subject between the Postmaster General of the United States and myself, and which led to the request addressed by the Postmaster General of the United States to your Department, that you would be pleased to concur in the arrangement and aid in giving it effect.

The understanding between the United States and Canadian Post Offices is as follows :

1st. That General Mails for and from the United States should be despatched by the Canadian Packets weekly, both in summer and winter ;

2nd. That whereas the Mails for all parts of the United States have hitherto been forwarded in winter upon the Portland Post Office when sent by Canadian Packetit was expedient in view of the superior facilities afforded by the Canadian Grand Trunk Railway for communication with the Western States, that Detroit and Chicago should be authorized to exchange Mails directly with the British Offices, both in winter and summer, leaving the remainder of the Correspondence to be included in the Portland Post Office bags as heretofore ;

3rd. That during winter, Mails should be landed and taken up at Cork by the Canadian Steamers, and that application should therefore be made to have Cork constituted an Exchange Office for the purpose ;

4th. That as the Portland Office was already authorised to exchange Mails with England during winter by the Canadian Packets, it was chiefly necessary to ask the concurrence of the British Post Office for the separation of the Detroit and Chicago Mails from the rest of the despatch, and for the transmission of those Detroit and Chicago Mails, and for the transmission of Mails to Portland in winter as well as in summer, and also for the addition of Cork as an Office of Exchange, these being the new features which the new arrangement was to add to that already existing ;

5th. That the Canadian Packets would thus with the Cunard line afford to the whole of the United States the advantage of a regular semi-weekly Mail communication with Europe ;

6th. That to enable Portland more efficiently to act as a port of distribution for the general Mails not comprised in the Detroit and Chicago bags, the United States Post Office was engaged in perfecting a main Trunk line of Railway Mail through, from New-Orleans to Portland with of course a daily service :

I need not here dilate on the importance of these arrangements nor on the interest naturally felt in Canada, that they should come into operation with the least possible delay.

The American Post Office entered into the measure with the most gratifying promptitude and liberality of feeling evincing the most earnest desire that all considerations should give way to the main object of accelerating and facilitating correspondence, and Canada is most desirous of fulfilling her part of the contract in a like spirit, but of course as regards the despatch of Mails from this side and other measures dependent on the active co-operation of the Imperial Post Office, Canada can do no more than earnestly entreat Your Lordships concurrence and assistance.

Every one interested in the prosperity of Canada will be gratified that Your Lordship should have felt yourself justified in expressing so warmly as you were good enough to do, your appreciation of the very important advantages which these arrangements promise to confer, and of the inestimable value to Canada of the declaration formally made by the United States authorities that the Canadian Grand Trunk Railway and Steamship line affords a better and more expeditious channel of intercourse with Europe to the Western and South Western States of the Union, than the lines of communication *viâ* New-York or Boston.

To preclude as far as possible all occasion for delay or misunderstanding in carrying the arrangement into effect, I have crossed the Atlantic at the desire of Her Majesty's Canadian Government to place all this information before you Lordship and afford any explanation which the matter might appear to demand.

The Postmaster General of the United States could not of course give any formal assent to the commencement of these reciprocal arrangements until your concurrence should have been asked, and in fact, in deference to you, felt obliged to stipulate that this should be a preliminary, step but relying upon my assurance that Canada possessed sufficient interest with the Imperial authorities to induce them to overrule difficulties and abridge delays resting upon mere points of form, entrusted to my charge the written application for your Lordship's assent to the arrangement. Your Lordship will observe, by the Assistant Postmaster General's note to me, of the second instant, that is was anticipated that your Lordship's ready concurrence would complete the whole arrangement on both sides of the Atlantic by the 1st proximo, and with this expectation I may add that practically the arrangement was in that way to take immediate effect on the other side, and that American mails, made up in conformity with it, will leave Portland by the Canadian Steamer of the 26th November (Saturday next.) If this promptitude be irregular as a matter of form I ought to explain that the American Post Office will have become amenable to reproach in its readiness to show that it was acting heartily in the matter and under the belief that the Imperial Post Office would not complain if an irregularity of this character was consented to at the solicitation of Canada..

It will no doubt take some time to make a formal exchange of additional articles between London and Washington, but this need not, I believe,

operate to delay the putting the arrangement into effect, for I perceive, by copies of the papers before me, that the transmission of the American Mails by the Canadian Steamers last winter, with the addition of Portland as an exchange office for the purpose, was commenced by England, on the 22nd December, 1858, by a public advertisement from the General Post Office, London, dated 18th December, 1858, in compliance with a request from the General Post Office, Washington, received in London on the 15th December, though the articles embodying the arrangement were exchanged under date of 11th January, 1859, in Washington, and 3rd February, 1859, in London.

The separation now desired of portions of those Portland Mails for Detroit and Chicago and the exchange of another portion at Cork are in point of fact mere modifications in matters of Office detail of last winters arrangements.

It has been raised as an objection by the British Post Office, to complying with the request, that a general United States Mail be sent by the Canadian Steamers leaving Liverpool for Portland, on Wednesday,---that an authority has also been recently received from the General Post Office, Washington, for the despatch of general Mails by Steamers sailing from Southampton for New-York, on Tuesday, in some weeks and on Wednesday, in others, but I confess that I do not perceive wherein lies the magnitude assigned to this objection, for even should the British Post Office not desire to give the preference to a Canadian Steamer in a case were a Canadian and a Foreign Steamer, both authorized by the United States Post Office, should sail from the same port simultaneously,---there is no such direct conflict of choice involved in the present question,---for a departure from Southampton and a departure from Liverpool, though happening to occur occasionally on the same day, would not for three fourths of the correspondence involve a simultaneous making up of Mails for the two Steamers, which is the practical point at issue.

To refuse to send by the Canadian Portland Steamer of Wednesday any portion of the General United States Mail and to forward the whole Mail upon the Foreign Steamer of that day from Southampton, would, I beg respectfully to suggest carry the correspondence of Ireland, Scotland and the Liverpool section of the English Mail past Liverpool, down to Southampton necessarily many hours in advance of the time of closing the American Mails at Liverpool for the Canadian Steamers, and with an attendant loss of time to correspondence that (considering that the English writer has at least an equal interest with the American receiver of a letter in avoiding), your Lordship might be expected to refuse to sanction even in compliance with a much clearer signification of the preferential choice of the United States Post Office in that direction, than is shewn to exist. To make the argument stronger, it is a fact beyond question that Mails so sent *viâ* Southampton, would be from one to three days longer on the Atlantic voyage, than if sent *viâ* Liverpool by the more speedy Canadian Packets.

It was further urged as another most serious objection by your Lordship's Department, that a Despatch by both Packets, the Liverpool Canadian and the Southampton Foreign, could not be consented to because though it might facilitate correspondence, it would operate prejudicially upon the postage profits derived by the British Post Office, from the Mails by the Cunard Line inasmuch as it would trench upon the half of the week which it was desired to guard exclusively for the benefit of that line.

Now whether this unexpected view of the matter would be persisted in or not, I beg that your Lordship will permit me to remark that the apprehension appears to me to be entirely without sufficient grounds.

It is not proposed to encroach upon the half of the week which your Office considers must be deemed to be set apart for the Cunard Mails, for a despatch by both Liverpool and Southampton Steamer, would amount to nothing more than a division of the correspondence arising in the unappropriated half of the week, and I am at a loss to perceive how the despatch of two Mails on Wednesday, or of one of the two on the previous day Tuesday could be construed as affecting the accumulation of correspondence arising in the latter half of the week, and destined for the Saturday Packet.

May I trust that your Lordship will pardon me if I take the liberty of expressing my earnest hope that objections of the character of those I have just averted to may not be allowed to weigh against the importance of giving to this measure in which the general interests of Canada are as I had the honor of explaning to your Lordship, and to his Grace the Duke of Newcastle, so vitally engaged the active and cordial co-operation of the Imperial Post Office.

Your Lordship will excuse me if I add that were this affair a matter affecting merely arrangements for postal intercourse, I should not venture to urge its claims for the promptest possible action so strongly upon your Lordship's attention.

But as an emphatic acknowledgment of advantages available for general commercial objects as well as postal (and to the United States as well as to Canada), offered by the great line of communication between the interior of the continent of America and Europe, which has been built up by the utmost efforts of the Province, assisted by British capital, to the amount of twelve millions, it is of the last importance to Canada, at this critical period of the enterprize, that the arrangement, I am pressing, should be brought under the public notice without a moment of avoidable delay. And further that it should receive at least as cordial a reception from the authorities of the mother country as I am bound to declare it met with from the American Government.

May I, in conclusion, entreat your Lordship, that the requisite steps may be immediately taken for giving the fullest possible effect to the arrangement as I have had the honor to explain it, commencing with next Wednesday's Canadian Packet:

1st. That separate Mails be made up comprising the whole correspondence for the Detroit and Chicago Bags.

2nd. That a general Mail for the United States be despatched upon Portland.

3rd. That the Canadian Government Packets be enabled to receive and land Mails at Cork with the same advantages as are accorded to the Steamers and Mails by the Cunard line.

I should also esteem it as a great value that a public advertisement should appear in the ordinary way—embodying this measure.

Finally I beg to say that to meet the apprehensions expressed as to certain responsibilities in connexion with this matter, I consent that should the United States Post Office raise any difficulty on the score of Postage, profits with respect to the correspondence for the United States, which the arrangement contemplated should be sent by Canadian Packet to Portland, the amount of sea rate collected in England on such correspondence (which is all that Canada could claim from England) shall be held over by the British Post Office, until the question of claim can be satisfactorily adjusted.

I have the honor to be,
My Lord,
Your Lordship's very humble
and very obedient Servant,
SIDNEY SMITH,
Postmaster General of Canada.

The Right Honorable,
The Earl of Elgin, K. T.,
&c., &c., &c.

To this no Reply was ever received.

General Post Office, London
25th November, 1859.

Sir,

I beg leave to transmit to you, for your information, the enclosed copy of a letter which has been received from the Postmaster General of the United States on the subject of the proposed exchange of mails between the United States and this country by means of the Mail Packets maintained by the Canadian Government, both by way of Chicago and Detroit, and by way of Portland, and at the same time I have to enclose a copy of the reply which has been made to the above letter.

I am, Sir,
Your most obedient Servant,
ROWLAND HILL.

The Hon. Sidney Smith,
P. M. G. of Canada,
Morley's Hotel, W. C.

Post Office Department,
Washington, 2nd November, 1859.

Sir,

I have the honor, by direction of the Postmaster General, to inform you, that an arrangement has been concluded between this Department and the General Post Office of the Province of Canada, for the transmission of United States Mail from Detroit to Liverpool, and from Liverpool to Detroit, over the Grand Trunk Railway of Canada, and by the Canadian Mail Packets plying in summer between Quebec or Rivière-du-Loup and Liverpool, and in winter between Portland and Liverpool, whereby the United States and British Mails, from and for the Western, North-western, and it is believed, the South-western States, embracing all points, West and North, and North-west of Chicago and Detroit, will be greatly expedited as compared with the present routes of transmission through this Country to New-York or Boston.

In order to carry out this arrangement and secure the desired expedition of the Western Mails intended to be transmitted over the new route, it is necessary that Detroit and Chicago be constituted Exchange Offices for United States and British Mails, to correspond with Liverpool and London, and if decmed advisable with Cork also, for that portion of the international correspondence destined for or received from Ireland; it being understood that the Canadian Packets will touch at Cork, going and returning, during the coming winter.

As mails for and from Portland will be landed at Rivière-du-Loup during the summer season, it is also desirable to so modify the addional articles constituting Portland an Office of Exchange for United States and British Mails, and to authorize the exchange of Mails by that Office by way of Rivière-du-Loup as well as by the Steamers running direct between Portland and Liverpool.

Inasmuch as a direct weekly communication between our Western States and the United Kingdom, by means of the Canadian route *viâ* Quebec and Portland, will secure important advantages in point of expedition, the Postmaster General is induced to believe that you will readily assent to his proposal, to constitute Detroit and Chicago additional offices of Exchange, for the correspondence intended to be transmitted by the new route. In that case I am desired to request that you will please cause formal articles to be prepared for execution of the respective Post Office Departments, embracing Cork also, as an additional Exchange Office, on the side of the United Kingdom, if deemed advisable, together with a provision authorizing Portland to exchange mails in the summer season *viâ* Rivière-du-Loup.

Requesting the favor of a response at your earliest convenience,

I am, &c.,

HORATIO KING.

The Postmaster General,
London,
England.

General Post Office, London,

25th November, 1859.

Sir,

In reply to your letter of the 2nd instant, I am directed by the Postmaster General to state, that he readily assents to your proposal to constitute Detroit and Chicago additional offices of exchange, so as to enable you to attain the objects mentioned in your letter; and I enclose for Signature an additional formal article to that effect.

Advantage has been taken of the opportunity to include not only these Towns and Cork as you request, *but Dublin and Galway*, and to make the office at Portland an office of exchange generally, instead of being limited to an exchange of mails under certain circumstances, but as there is no immediate intention of making up mails at Dublin or Galway, it will not be necessary to make up corresponding mails in the United States until you receive notice.

The Postmaster General of Canada, who is now in London, has strongly urged the immediate adoption of the new arrangements including a despatch from this country by each Canadian Packet, not only of mails for the north-western, western and some of the southern of the American States, but of mails for the American States generally, and he says that in doing so, he represents your wishes as well as those of his own Government, a statement which is supported by the correspondence on the subject which has passed between Mr. Smith and your office, a copy of which has been laid before Lord Elgin.

It was objected that your letter to us contained no request that the arrangement should if practicable commence forthwith and did not give so comprehensive an instruction regarding the mails and that Lord Elgin feared that if, without further communication with you, we sent mails to Detroit and Chicago, the Postmaster of those Towns might be at a loss how to dispose of them, for want of previous directions, and that you might be placed in a difficult position with regard to the Contractors for your other Packets in consequence of a portion of the letters usually conveyed by these Contractors being withdrawn from their Packets and sent by the Canadian Packets.

In reply to their remarks Mr. Smith stated that your letter of the 2nd instant, had to his knowlege been written hurriedly after the conclusion of your agreement with himself, in order to be in time for the outgoing Packet, but that he wat certain that it was your strong desire that the new arrangements should be at once adopted and that in the manner I have described, but that in order to prevent the possibilily of your having a difficulty in relation to your other Contractors, he would consent that the Canadian claim for the sea postage of letters conveyed on your behalf from this country to Portland, should be subject to any payment which you may have to make to these Contractors in consequence of the diversion from them of part of the correspondence.

Another difficulty arises from there being at present no provision for sorting the letters, &c., on board the Canadian Packets, so that much work irrespective of the minute sortation required for deliveries, &c., that in the British Packets is done, on board ship after the Packet had sailed would in the case of the Canadian Packets have to be performed at Cork, and this even with an increase of force at that Office, would cause a detention of the Packet for some hours, and throw the hour of departure into night.

This as a permanent arrangement could not be contemplated, whatever efforts might be made to provide for it as a temporary measure.

Under all the circumstances, Lord Elgin being desirous to meet Mr. Smith's wishes and what are represented to be your own, and also to promote the public advantage and in the expectation that immediate means will be taken for providing for the sortation of the correspondence on board the Canadian Packets, on the plan proposed in my letter of the 7th January last, has directed that the next Canadian Mail which will leave Liverpool on Wednesday the 30th instant, and touch at Queenstown (Cork), the following day, shall take Mails for Detroit and Chicago, (including all the correspondence which may have accumulated for the States of Michigan, Ohio, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Missouri and Arkansas,) and a similar Mail for Portland containing the correspondence for the State of Maine, also a Mail for the other States containing such correspondence as would be too late for your Packet *viâ* Southampton, but be in time for the Canadian Packet.

Subject to the revision by Lord Elgin himself, and subject to any instructions which you may forward, this course will be followed with each succeeding Canadian Packet until the discontinuance of the other American Packets which I presume will be almost immediate, when all the letters, &c., which will for the present be divided between those and the Canadian Packets will be sent by the latter alone.

In my letter of the 11th instant it was stated that if you should adopt the Cork route and should wish that special trains be used for the conveyance of your Mails the cost of these special trains would devolve upon your Office ; but on further consideration Lord Elgin has decided to waive this claim and gratuitously to give to your Mails whatever advantage by way of special trains may be given to the English Mails.

It was also stated that as there might be a doubt whether it was in accordance with the spirit of the understanding between the two offices, that a supplementary British Mail should be made up for Cork after the time for the Packet leaving Liverpool without first giving you sufficient notice of the change, (a matter which had been overlooked when the arrangement was made for the alternate British Packets to touch at Cork), Lord Elgin had directed that any excess in the amount of postage in these Packets (as nearly as it can be estimated) should for the present be placed to your credit :

By the new arrangement regarding the Canadian Packets not only will such excess disappear, but as regards the combined alternate Canadian and Southampton Packets, at least the excess will probably be the other way, but Lord Elgin leaves it to yourself to decide what shall be done under these altered circumstances.

I am, &c.,

(Signed,) ROWLAND HILL.

The Postmaster General,
&c., &c., &c.,
Washington.

London, 25th November, 1859.

Sir

Referring to the arrangements which it is understood will commence to take effect for the Canada Mail Packet of Wednesday next for the despatch of United States Mails to be put on board the packet every Thursday afternoon at Cork, I beg to say that it will greatly promote the satisfactory working of the arrangement to have provision made for assorting these Mails on board the Vessels so as to avoid any delay for this object at the Cork Office and I shall be glad to have the Mails made up accordingly.

I will place Mail Clerks on board the Canadian Packets to perform the sorting duties as soon as I return to Canada, but in the meanwhile I shall be obliged if you could temporarily provide for the service by placing on board these ships clerks detached from your own Office, whose salaries or other ordinary remuneration I shall be happy to undertertake to pay while so employed.

I will further undertake to say that the United States Post Office will accord its sanction to this procedure.

I have the honor to be,
Sir,
Your very obedient humble servant,

(Signed,) SIDNEY SMITH,
P. M. G. of Canada.

Rowland Hill, Esq.
&c., &c., &c.

Morley's Hotel,

London, 26th November, 1859.

Sir,

Permit me to express my thanks for your communication of yesterday and the despatch with which you have given your assent to and proceeded to make the arrangements respecting the transmission of British and American Mails by the Canadian Atlantic Steamers.

I take the liberty of enclosing copy of a communication received yesterday from Washington which establishes my assertion that the American Post office authorities are most anxious that every possible expedition should be used in bringing these arrangements into effect.

I also enclose an Extract from the Canadian News of the 23rd instant, taken from a Boston paper as an Evidence of the advantages offered by the arrangement for the transmission of Letters for Boston and its vicinity and under these circumstances may I now ask that you will in making the distribution of letters for the different Steamers, include hereafter in Mails for our Steamers, *Letters for Boston and places in the Neighborhood of that City.*

The question as to who may be properly entitled to the postage on said Letters can remain over for decision hereafter and I would ask your permission to urge at the proper time upon the United States Government the right to it under ~~our~~ Contract as well as to the other postage to be held over for decision and the whole of the postage upon Letters sent to the United States *vid* Southampton in other than American Vessels.

I have the honor to be,
Sir,
Your very obedient humble servant,

SIDNEY SMITH,
Postmaster General of Canada.

Rowland Hill, Esq.
&c. &c. &c.

No answer was ever returned to this communication.

Post Office Department,
Washington, 7th November, 1859.

My dear Sir,

Your telegraphic despatch of Saturday from " Father Point " is received.

In my letter to the British Post Office placed in the hands of Mr. Griffin, I requested that the necessary articles constituting " Detroit and Chicago " Exchange Offices might be placed drawn up at London and after execution there be forwarded to this Department.

This course was considered advisable inasmuch as we have no means of knowing whether it will be agreeable to the British Office to make " Cork " an office of Exchange on the side of the United Kingdom ; and if not articles so drawn up would have to be changed thus making delay which it is important to avoid if possible.

I am very respectfully
Your obedient servant,

(Signed,) HORATIO KING.

Hon : SIDNEY SMITH,
P. M. General of Canada,
Morley's Hotel,

MORLEY'S HOTEL,

London, 28th November, 1859.

SIR,

I have the honor to transmit for your information copy of a communication addressed by me to Mr. Rowland Hill, in his communicating to me a copy of his answer to your application of the 2nd instant, to have Cork, Detroit and Chicago made Exchange Offices for British and American Mails.

You will see that I have taken the responsibility of placing persons in the Canadian ships to assort the Mails in order that no unnecessary delay should take place in forwarding them, and although it was not provided for under the terms of the arrangement made with you, yet I trust that the desire which you will see evinced on my part by such procedure to perform in the best possible manner the service contracted for, will induce you if not, to share in the expense, at any rate to place that reliance upon our intentions to perform the service effectively, that you will see that your Postmasters have instructions as to that part of the contract wherein it is agreed to transport all United States correspondence between Liverpool and Portland and *vice versâ*. I would also ask you to communicate at once to the Post Office authorities here your desire to have that point of the arrangement substantially carried out by them.

I have the honor to be,
Your obedient Servant,

(Signed,) SIDNEY SMITH.

HORATIO KING, Esquire,
&c., &c., &c.,
Washington.

WASHINGTON, 13th February, 1860.

SIR,

In accordance with the understanding had with you at our interview this morning, I now beg to submit for your consideration the following proposition :

First. That the Mails from Boston City and adjacent States, say, Massachusetts, New Hampshire, Vermont, Connecticut and Rhode Island, shall be sent on the Saturday from Boston to Portland by Railway, and thence by Canadian Steamer, except when an American Steamer sails from New York on the same day, on which day however all correspondence that may reach Boston too late to be forwarded *viâ* New York, shall be sent *viâ* Portland and Canadian Steamer.

Secondly. That the instructions to the British and other European Post Office authorities respecting Mails to be forwarded by Canadian Steamers shall embrace correspondence for the city of Boston and above named States, (except when an American Vessel may sail on the same day.

Thirdly. That you notify the public that Mails will be sent every week from New York by Canadian Steamer, as also of the time such Mails will be closed, and that in order to ensure the despatch of correspondence intended to be thus forwarded, it will only be necessary for the sender's to mark their letters, "By Canadian Steamer."

Fourthly. That you pay for the transport of Newspapers *sent from the United States*, by Canadian Steamers, one cent each.

Fifthly. That all letters shall be conveyed for the sea postage only.

Sixthly. That you communicate to the French Postal authorities, your willingness to receive the sea postage on all such correspondence as you have arranged or may hereafter arrange to be forwarded by Canadian Steamers, and the same with respect to Prussia, when their application is received by you.

Sevently. In the event of your finding that it will expedite the correspondence between New Orleans and other Southern Cities, and Europe, to forward it *viâ* Chicago or Detroit, or, in case you desire to make the experiment, I will place special messagers in charge of such Mails to and from Detroit and the Sea Board without expense to your Department.

Eightly. That you assent to a change in the Port of departure, in Ireland to some Port on the North Coast, by which a further saving of distance and time will be affected ; such Port to be selected by me.

I would remard in conclusion that it is intended to lay down a Telegraphe line to the Straits of Belle Isle, early in the coming summer season,

by which further advantages will be obtained from the employment of our Steamers.

I have the honor to be,
&c., &c., &c.
(Signed) SIDNEY SMITH,
Postmaster Genl.

Horatio King, Esquire,
1st Asst. P. M. G., U. S.,
Washington.

Post Office Department,

Washington, 14th February, 1860.

Sir,

I have the honor to inform you, in answer to your letter of the 13th instant, that the several propositions therein submitted, eight in number, modifiying the details of the arrangement made with your Department for the conveyance of United States Mails by the Canadian Steamers between Portland and Liverpool &c., are approved by the Postmaster General; and that the necessary instructions will be issued for carrying them into effect, so far as they admit of being put into immediate operation.

I am, &c.,

(Signed,) HORATIO KING.

Hon. Sidney Smith,
P. M. G. of Canada,
&c., &c., &c.

Post Office Department,

Washington, 18th February, 1860.

Sir,

I have the honor, by direction of the Postmaster General, to inform you that he has given his consent to the arrangements made by you in Europe, for the transmission of the British, French and Continental Mails, so far as to request the British Post Office to make up and forward Mails regularly by the Canadian Steamers, containing the correspondence for all of the New England States, (as well as for the State of Maine and the West, as heretofore,) and the French Post Office has been requested to send regularly, by the same route, Mails to Boston, embracing the correspondence for all of the New England States.

Instructions have also been given to the Postmaster of Boston, to send Mails from his office, *viâ* Porland, by the Canadian Steamesr, except on the Saturdays when American Steamers depart from New York, and on

those days to send also such supplementary mails as may be received too late for transmission *viâ* New York ; and the Postmaster of New York has been directed to make up a mail to go forward by your steamers from Portland on Saturdays, containing any correspondence which may be specially addressed " by Canadian Steamers."

I have further to inform you that the proposition of the French Post Office, to make Portland, Detroit and Chicago, United States Offices of Exchange, for French Mails, will be held under advisement for the present, in order to ascertain whether the amount of French correspondence, passing through those offices, is sufficient to make such an arrangement expedient. But whether these additional Exchange Offices are established or not, it is believed that the amount of French Mails to be conveyed by the Canadian Steamers, will be very nearly the same, inasmuch as authority has been given to the French and British Post Offices, (except on the Wednesdays occupied by American Steamers sailing under the United States Flag,) to send forward their mails, not only for the Boston distribution, but also for New York and Philadelphia, by the Canadian or other line of Foreign Steamers engaged in transporting mails for this Department, according as the one or the other of such lines may afford the speediest means of transmission to destination. This places the ocean service, as between the foreign lines, (Canadian, Bremen, Hamburgh or British,) sailing from England on the same day, open to fair competition, the question of speed to determine the particular route of transmission.

I am, &c.,

(Signed,) HORATIO KING.

Hon. Sidney Smith,
P. M. General,
Quebec.

3rd Session, 6th Parliament, 23 Victoria, 1860.

MESSAGE.

On the subject of the arrangements made for the transport of United States Mails between Europe and America by the Canadian Line of Steamships.

Presented to both Houses of the Legislature, Monday, 5th March, 1860.

S. Derbishire & G. Desbarats, Queen's Printer.